



California Fair Political Practices Commission

January 29, 1990

Wes Van Winkle
Bagatelos & Fadem
601 California Street, Ste. 1801
San Francisco, CA 94108

Re: Your Request for Informal
Assistance
Our File No. I-89-718

Dear Mr. Van Winkle:

You have requested confirmation of telephone advice provided to you concerning the campaign provisions of the Political Reform Act.^{1/} Because you have not provided the identity of the person or persons on whose behalf you are seeking assistance, we consider your request to be one for informal assistance.^{2/}

Your letter, dated December 5, 1989, correctly summarizes my advice that a committee does not become a "sponsored committee" pursuant to Section 82048.7 merely by receiving all or nearly all of its contributions from entities or organizations in the same industry group. The committee will become a sponsored committee, of course, if one or more of the participating entities or organizations qualifies as a sponsor pursuant to any of the other criteria established in Section 82048.7.

A copy of your letter is enclosed for your convenience.

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

^{2/} Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Section 83114; Regulation 18329(c)(3).)

Wes Van Winkle
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If you have additional questions, please do not hesitate to contact me at (916) 322-5662.

Sincerely,

Kathryn E. Donovan
General Counsel

Carla Wardlow

By: Carla Wardlow
Assistant Division Chief
Technical Assistance &
Analysis Division

Enclosure



California Fair Political Practices Commission

May 7, 1990

Wes Van Winkle
Bagatelos & Fadem
601 California Street, Suite 1801
San Francisco, CA 94108

Re: Your Request for Informal Assistance
Our File No. I-89-718

Dear Mr. Van Winkle:

The purpose of this letter is to summarize the action taken by the Fair Political Practices Commission at its May 1, 1990 meeting concerning our previous letter, No. I-89-718. The issue presented in the letter was whether your client, Taxpayers for Common Sense, is a "sponsored committee" for purposes of the Political Reform Act (the "Act").^{1/} Upon request of Attorney Lance Olson, this letter was presented to the Commission for review.

The Commission's unanimous conclusion, based on the information provided at the meeting, is that Taxpayers for Common Sense qualifies as a "sponsored committee" pursuant to Section 82048.7(b)(4). In addition, the Commission directed its staff to clarify that the previous letter by Carla Wardlow, dated January 29, 1990, is limited to the conclusion that Taxpayers for Common Sense did not qualify as a "sponsored committee" pursuant to Section 82048.7(b)(1).

If you have any questions concerning this letter, please contact me at (916) 322-5901.

Sincerely,

A handwritten signature in cursive script, reading "Kathryn E. Donovan", is written over the typed name.

Kathryn E. Donovan
General Counsel

KED:plh

cc: Lance Olson

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated.

89-718

LAW OFFICES OF
BAGATELOS & FADEM

BARRY FADEM
PETER A. BAGATELOS
WES VAN WINKLE

THE INTERNATIONAL BUILDING
801 CALIFORNIA STREET
SUITE 1801
SAN FRANCISCO, CALIFORNIA 94108

TELEPHONE
(415) 982-7100
FAX
(415) 982-1088

December 5, 1989

Ms. Carla Wardlow
California Fair Political Practices Commission
Technical Assistance Division
428 J Street, Suite 800
P.O. Box 807
Sacramento, CA 95804

Re: Telephone Advice Regarding Committee Sponsorship

Dear Ms. Wardlow:

This firm serves as legal counsel to a coalition of corporations, individuals, and other entities involved in the various alcoholic beverage manufacturing, wholesaling, and distribution industries. On behalf of this coalition, I am writing to confirm telephone advice which you provided earlier this afternoon to the effect that a political committee formed by this coalition would not be a "sponsored" committee within the meaning of Government Code §82048.7, and would therefore not be required to include sponsorship identification language in the name of the committee. A more detailed description follows:

As I indicated to you on the telephone, this coalition is comprised of approximately four or five major breweries, an approximately equal number of distilled spirits manufacturers, from 50 to 100 wineries, and three trade associations which represent the beer, wine, and distilled spirits industries, respectively. The various alcoholic beverage industries have no central organization which makes political decisions or serves as a conduit for political contributions. Instead, the corporate and individual members of the coalition wish to form an ad hoc committee for the purpose of opposing the qualification of a statewide ballot measure, and perhaps opposing the measure itself in the event that it qualifies for the ballot.

It is presently anticipated that all or nearly all of the proposed committee's funds will be derived from contributions received from the various alcoholic beverage industries. However, it is certain that no single corporation, individual, or other entity will contribute more than 50% of the committee's funds; and it is probable that no single entity will contribute more than ten to fifteen percent of the committee's total contributions. Corporate and association contributions to the committee will be derived in most cases from general treasury

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funds of the individual corporations and associations, rather than payroll deductions or membership assessments. The coalition has entered into contracts with three public relations and campaign management firms for the provision of campaign management and administrative services. These firms will advise the committee regarding policies for solicitation of contributions.

Under the foregoing circumstances, you stated that the proposed committee would not be a "sponsored" committee within the meaning of Government Code §82048.7, because no single corporation or other entity would meet any of the four definitions contained within the statute. You indicated that the sponsored committee statutes and regulations are aimed primarily at the situation in which a single company, trade association, or other entity controls or sponsors a committee, and that the mere fact that all or nearly all of the contributions the committee would receive are from participants in the same industry group does not make the committee a sponsored committee. Because the proposed committee will not be a sponsored committee, you indicated that Government Code §84106 will not apply, and the committee will therefore not be required to include "sponsored by the alcoholic beverage industry" or a similar sponsorship identification in the name of the committee.

Thank you for your advice and assistance in this matter. In the event that I have misunderstood or inadvertently misstated any of your advice regarding this matter, please contact me immediately at this office.

Sincerely,

Wes Van Winkle

Wes Van Winkle ^(mu)
Of Counsel
Bagatelos & Fadem

WVW/db
ctcs:12-6cw